

---

**UTAH LABOR COMMISSION**

**MICHAEL ROBERT ADAMS,**

**Petitioner,**

**vs.**

**RED ROCK LOG HOMES and AUTO  
OWNERS INSURANCE COMPANY,**

**Respondents.**

**ORDER REVERSING  
ALJ'S DECISION**

**Case No. 07-0449**

---

Red Rock Log Homes and its insurance carrier, Auto Owners Insurance Company, (jointly referred to as "Red Rock") ask the Utah Labor Commission to review Administrative Law Judge Luke's order that Red Rock is liable for Mr. Adams' attorney costs under the Utah Workers' Compensation Act, Title 34A, Chapter 2, Utah Code Annotated.

The Labor Commission exercises jurisdiction over this motion for review pursuant to Utah Code Annotated § 63G-4-301 and § 34A-2-801(3).

**BACKGROUND AND ISSUE PRESENTED**

Mr. Adams claims workers' compensation benefits from Red Rock for an injury that occurred on October 16, 2006. The parties negotiated a settlement but failed to resolve the question of liability for a deposition copy totaling \$129.70 that was ordered by Mr. Adams' attorney. Judge Luke ordered Red Rock to reimburse Mr. Adams' attorney for the deposition.

In its motion for review, Red Rock argues that the deposition cost must be deducted from Mr. Adams' benefits, rather than paid by Red Rock.

**DISCUSSION AND CONCLUSION OF LAW**

The Commission's Rule R602-2-4(C)(2) specifically provides that "[f]ees **and costs** authorized by this subsection shall be **deducted from the applicant's benefits** and paid directly to the attorney on order of the Commission." (Emphasis added.) Thus, Judge Luke erred in ordering Red Rock to reimburse Adams' attorney for the deposition costs in question.

**ORDER**

Judge Luke's order is modified as follows:

In addition to the \$7,415.16 in attorney's fees withheld from Petitioner's award (excluding interest) and remitted to Petitioner's legal counsel, Virginius Dabney, Respondent shall withhold an additional \$129.70 from the award and pay that

**ORDER REVERSING ALJ'S DECISION**  
**MICHAEL ROBERT ADAMS**  
**PAGE 2 OF 2**

amount directly to Mr. Dabney for costs arising from his representation of Petitioner.  
It is so ordered.

Dated this 22<sup>nd</sup> day of July, 2008.

---

Sherrie Hayashi  
Utah Labor Commissioner

**NOTICE OF APPEAL RIGHTS**

Any party may ask the Labor Commission to reconsider this Order. Any such request for reconsideration must be received by the Labor Commission within 20 days of the date of this order. Alternatively, any party may appeal this order to the Utah Court of Appeals by filing a petition for review with the court. Any such petition for review must be received by the court within 30 days of the date of this order.